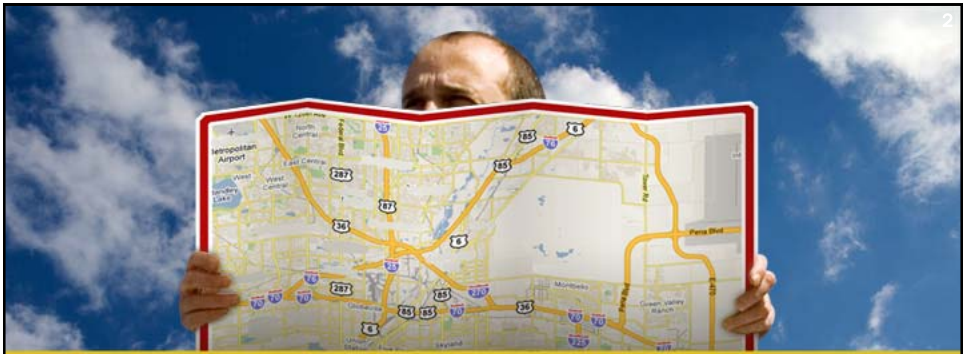


From Resilience To Growth:

Mapping a New Direction for Life Sciences & Medical Devices



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Milestone Metrics for Growth Stage Companies



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Panelists:

- **David W. Kantaros**, Partner, Private Equity and Venture Capital Practice, *Foley & Lardner*
- **Robert Mashal**, *President & CEO, NKT Therapeutics Inc.*
- **Fouad Azzam**, Ph.D., General Partner, *LSP*
- **Stacy Coen**, Senior Director of Business Development, *Genzyme Corporation*
- **Jeff Barlow**, Managing Director, Head of US Life Sciences Investment Banking, *Canaccord Adams*
- **Keith D. Lindenbaum**, Partner, Medical Devices Industry Team, *Foley & Lardner*

In the Beginning

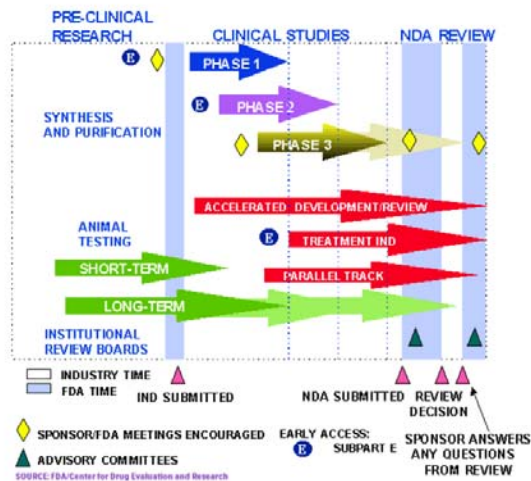
NKT Therapeutics Inc.

- Series A funding December 2008
- (Semi) virtual drug development company
- Licensed IP around methods for treatment of human disease via manipulation of NKT cell function
- Present at funding
 - Management team
 - Unique antibody to NKT cells (mouse anti-Human)
 - Potential for dominating IP position
- Tranched financing with capital infusions at risk reducing milestones for two lead therapeutics
 - Humanization (we have them)
 - Generation of RCBs (and we can make them)
 - POC data in monkeys (and they work!)

Next Steps

- Metrics for B and C Round Funding

FDA New Drug Approval Process



What makes an M&A candidate attractive?

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Product(s) of Interest

- Quality
- Differentiation
- Timing
- Patent life
- Risk

Acceptable P&L Impact

- Future spend
- Third party obligations
- Accretion/dilution

Strategic Fit

- Fit with portfolio
- Potential to fill gap
- Ability to de-risk
- Ability to realize synergies

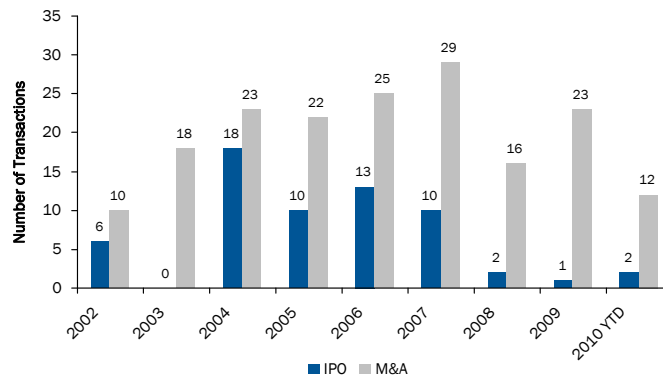
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Medical Technology Capital Markets Review

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Medical Technology IPO vs. M&A Over \$50M



Source: SDC Platinum as of 6/30/10.
 Medical Device and Healthcare Equipment transactions with disclosed deal values from \$50.0M to \$5.0B since 2002.
 Excludes repurchases and minority interests.

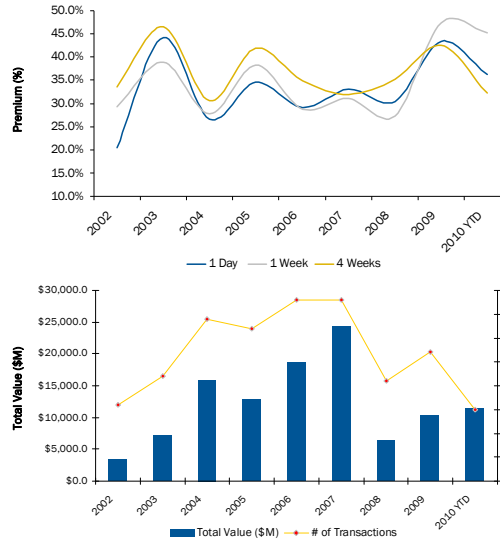
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Medical Technology Capital Markets Review

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- ▶ Premiums paid in 2010 YTD public market transactions have remained at 2009 elevated levels despite the recovery in equity prices from last years lows
- ▶ Consolidators are well positioned to pursue acquisitions that drive growth in a weaker economic environment



Source: Capital IQ and SDC Platinum as of 6/30/10.
Medical Device and Healthcare Equipment transactions with disclosed deal values between \$50.0M - \$5.0B.
Excludes repurchases and minority interests.

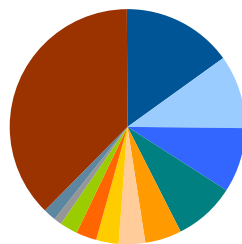
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Medical Technology Capital Markets Review

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Private M&A Exits by Sector Since 2005



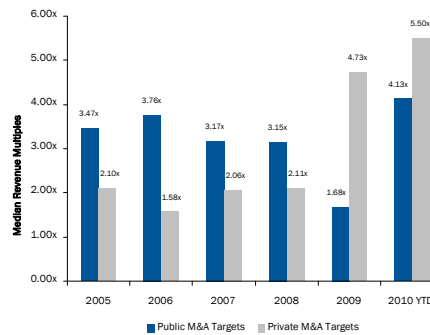
Cardiovascular	15.3%	Oncology	2.6%
Orthopedics	10.0%	Biomaterials	2.6%
Ophthalmology	8.9%	Diabetes	1.6%
Imaging	8.4%	Obesity	1.1%
Respiratory	4.7%	Neuro	0.0%
Women's Health	3.7%	Other	37.9%
Aesthetics	3.2%		

Source: SDC Platinum as of 6/30/10.
Medical Device and Healthcare Equipment transactions with disclosed deal values from \$1M to \$5B since 2002.
Excludes repurchases and minority interests.
Revenue multiples in excess of 25.00x are deemed "NMF."

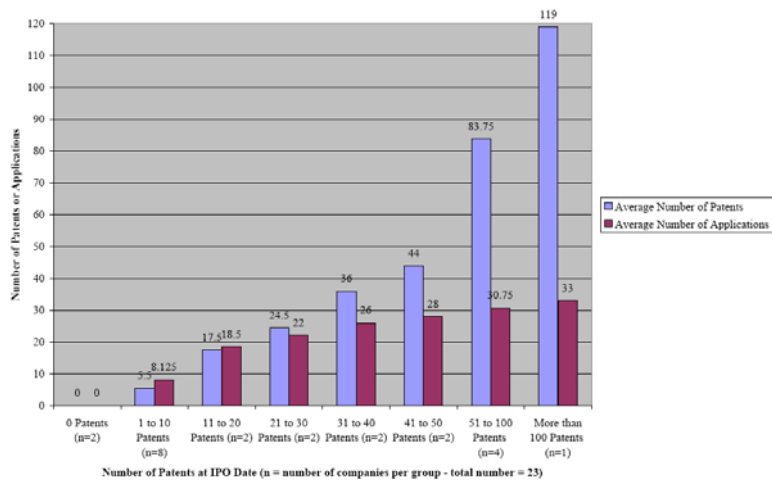
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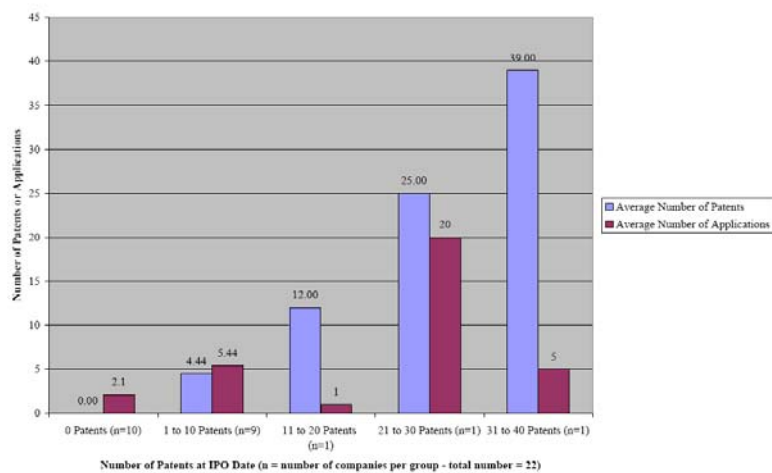
Medical Technology Median Revenue Multiples



Med Device - IP Metrics at IPO



Drug Companies - IP Metrics at IPO



Med Device & Drug Companies IP Metrics at IPO

Average and Median Number of Patents at IPO by Company Category

